

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6655

BILL NUMBER: HB 1100

DATE PREPARED: Dec 19, 2000

BILL AMENDED:

SUBJECT: Internet coverage of the General Assembly.

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FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State & Local

STATE IMPACT	FY 2001	FY 2002	FY 2003
State Revenues			
State Expenditures		268,800	77,300
Net Increase (Decrease)		(268,800)	(77,300)

Summary of Legislation: This bill allows the Legislative Council to enter into a contract to provide video or audio coverage, or both, over the Internet of sessions of the General Assembly and other legislative activities authorized by the Legislative Council. The bill regulates the reuse of video or audio coverage of the General Assembly for commercial or political purposes.

Effective Date: July 1, 2001.

Explanation of State Expenditures: Costs to the state to provide video coverage of legislative activity will include one-time installation of equipment costs and annual ongoing expenses to maintain and operate the equipment. Estimates are based on 500 concurrent users on the system. Costs could change if the application grows in popularity and use.

One-time installation and equipment costs are estimated at \$191,500. On-going annual costs are estimated at \$77,300. Total first-year costs are estimated at \$268,800 with subsequent year costs equaling \$77,300. A breakdown of costs are listed below.

One-time Installation and Equipment Costs and Ongoing Annual Costs		
Streaming REAL Video Server	Hardware	\$49,000
	Software	\$21,600
REAL Video Encoding Server	Hardware	\$9,000
	Software	\$200
Network Connection	Installation	\$3,300
Server setup	Installation	\$25,000
Two House Cameras and Two Senate Cameras		\$32,000
Two Switchers		\$5,000
Two Mixers		\$ 9,000
Two Controllers		\$ 13,000
Wiring		\$2,400
Labor		\$18,000
Miscellaneous		\$4,000
Sub Total Installation and Equipment Costs		\$191,500
Annual Streaming REAL Video Server	Hardware	\$4,900
Annual REAL Video Encoding Server	Hardware	\$900
	Software	\$200
Annual Network Connection	T-1 service	\$16,500
Annual Installed Video and Support Equipment	House Maintenance./Repair	\$ 2,400
	Senate Maintenance./Repair	\$2,400
Managed service (by state network) Help Desk for users Software/Hardware support Storage/Retrieval system NOC Overhead (power, space)		\$50,000
Sub Total Annual Ongoing Costs		\$77,300
Total First Year Costs		268,800

A competitive bid with known specifications and the Legislative Council's design requirements will determine the actual costs. The proposal's managed service also includes storing the video content on existing network resources for delayed or "on demand" viewing.

Violations: A person who knowingly or intentionally uses audio or video materials in violation commits a

Class D felony. A person who knowingly or intentionally uses audio or video coverage in a communication expressly advocating the election or defeat of a clearly identified candidate commits a Class D felony. The Attorney General may conduct enforcement activities at the request of the Legislative Council by bringing a civil action to enjoin a violation. This provision may increase expenses to the Attorney General by an indeterminable amount.

A Class D felony is punishable by a prison term ranging from six months to three years or reduction to Class A misdemeanor depending upon mitigating and aggravating circumstances. The average expenditure to house an adult offender was \$20,700 in FY 1999. Individual facility expenditures ranged from \$14,936 to \$37,807. (This does not include the cost of new construction.) If offenders can be housed in existing facilities with no additional staff, the average cost for medical care, food, and clothing is approximately \$1,825 annually or \$5 daily per prisoner. The average length of stay in DOC facilities for all Class D felony offenders is approximately ten months.

Explanation of State Revenues: If additional court cases occur and fines are collected, revenue to both the Common School Fund and the State General Fund would increase. The maximum fine for a Class D felony is \$10,000. Criminal fines are deposited in the Common School Fund. If the case is filed in a circuit, superior or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the State General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the State General Fund.

Explanation of Local Expenditures: If more defendants are detained in county jails prior to their court hearings, local expenditures for jail operations may increase. The average cost per day is approximately \$44.

Explanation of Local Revenues: If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Office of the Attorney General, Legislative Council, and the Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: Jerry Sullivan, Executive Director, Intelenet (317) 233-8990; IHETS; Indiana Sheriffs Association, Department of Correction.